



BRIEFING: APRIL 10, 2014 BOARD MEETING AGENDA ITEM #4

TO: Chairman Richard and Board Members

FROM: Scott Jarvis, Assistant Chief Program Manager

DATE: April 10, 2014

RE: Approval of Amendment to AECOM Regional Consultant Contract for Time Only: Altamont Corridor Project Section

Background

AECOM is the Regional Consultant (RC) for the Altamont Corridor project section. The contract with AECOM was awarded on November 12, 2008 after conducting a procurement process that was managed directly by Authority staff consistent with the State's competitive Architectural and Engineering (A&E) procurement process. Proposals were evaluated by a team of Authority staff and staff from other state departments with contracting experience who evaluated the statements of qualifications and made recommendations to the Authority. This contract, as with all of the Authority's A&E contracts, contains a 30-day termination clause.

The original contract value was \$55.0 million for preliminary engineering and project specific environmental work. As of March 2014, approximately \$8.2 million has been expended on the Altamont Corridor. The AECOM contract for the Altamont Corridor Section expires on June 30, 2014.

The contract is based on an annual work plan and the RC will only perform duties that the Authority has agreed to by approval of its Annual Work Program (AWP). Staff has determined that work in progress under the AWP can be completed in the most efficient and cost effective manner by AECOM, but requires board approval of an amendment to extend the contract duration.

In June 2013, the Authority adopted a new, updated agreement with the San Joaquin Railroad Regional Rail Commission (SJRRRC) to reflect current defined policies set forth in the Authority's 2012 Business Plan, regional rail improvements as identified by the Northern California Regional Rail Partners Working Group, and recommendations established as part of the Authority's Early Investment Strategy for a Northern California Unified Service. This agreement contained the stipulation that the agreement would be terminated should the Authority experience any loss of the currently appropriated funding, including Federal funding, for the California high-speed rail project.

As a result of this revised agreement with the SJRRC, the Commission staff agreed to manage future work in the Altamont Corridor on behalf of the Authority. SJRRC has requested consideration for this time-only extension (attached) and is in the process of transferring \$1M of SJRRC funds to advance the work on this segment.

Discussion

The contract with AECOM is an A&E contract as defined in Government Code Section 4525 and, therefore, extending this contract through the amendment process is within the Board's scope and does not require approval by the Department of General Services pursuant to Section 11.00 of the State Contracting Manual.

Staff recommends amending the contract duration with AECOM on the Altamont Corridor by extending the duration for one year, through June 30, 2015 in order to facilitate permanent transfer of the consultant agreement to SJRRC and coordinate the appropriate funding mechanisms to accommodate distribution of future Proposition 1A funds (\$36.4 million) which the Legislature has committed to the future development of the Altamont Corridor. This amendment does not include any increase in contract capacity or dollar amount and is consistent with the budget projections contained in the Draft 2014 Business Plan. The proposed amendment would extend the contract duration by one year, from June 30, 2014 through June 30, 2015 to cover the following services:

- Continued Planning and Engineering work intended to advance improvements in the Altamont Corridor as developed by the SJRRC per the existing contract with the Authority.
- Negotiation of an agreement to fully and permanently transfer oversight and management of the Altamont Corridor section to the SJRRC.
- Identification of the appropriate process that would permanently facilitate future transfer of legislatively allocated State funding to the SJRRC.

Extending the current contract will enable the Authority to retain the team's expertise and experience, maintain continuity and momentum, and allow an effective transition after re-procurement.

This recommendation considers the following opportunities and risks: loss of consistency/continuity, stakeholder relationships, competition, potential conflicts of interest, loss of institutional knowledge, and imminent disruption and delay. This qualitative risk-based assessment was performed in consultation with the Authority's Chief Deputy Director, Assistant Chief Program Manager, Chief Financial Officer, Regional Directors, Legal Counsel, and Risk Manager.

This amendment would extend the contract duration for one year, facilitating permanent transfer of the consultant agreement to SJRRC, and would further require AECOM to comply with the Authority's Small and Disadvantaged Business Enterprise Program and the applicable 30 percent participation goal for Small Businesses, inclusive of Disadvantaged Business Enterprises and Microbusinesses.

Recommendation(s)

Staff recommends that the Board:

- Approve a contract amendment with AECOM to extend the contract duration for one year through June 30, 2015 and require AECOM to comply with the Authority's 30 percent Small Business participation goal for the Altamont Corridor section.

PROJECT SECTION	FIRM	CURRENT TERM	AMENDED TERM	CURRENT REMAINING CONTRACT CAPACITY	AMENDED CONTRACT CAPACITY
Altamont Corridor	AECOM	6/30/2014	6/30/2015	\$ 46,800,000	NA

Attachments

- Letter from SJRRC to HSRA dated March 25, 2014
- Resolution # HSRA 14-07